



GARY R. HERBERT  
Governor

SPENCER J. COX  
Lieutenant Governor

# State of Utah

## DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER  
Executive Director

### Division of Oil, Gas and Mining

JOHN R. BAZA  
Division Director

6285

December 15, 2014

Brent Andrews  
Tar Sands Holdings II LLC  
60 East South Temple, Suite 1800  
Salt Lake City, Utah 84111

Subject: Extension to Division Directive, Tar Sands Holdings II LLC, Asphalt Ridge 2 Mine, M/047/0032, Uintah County, Utah

Dear Mr. Andrews:

The Division of Oil, Gas and Mining (Division) modifies the directive issued to Tar Sands Holding II (TSHII) on October 21, 2014. This directive required that Tar Sands Holdings II increase the surety for the Asphalt Ridge 2 mine by \$382,000.00. This was to be done by December 1, 2014. The directive also required that by December 8, 2014, TSHII identify areas outside the permitted area for permit number M/047/0032 which have been affected by mining operations by TSHII or its predecessors and either, 1) amend the Notice to include in the Notice these affected lands, or 2) reclaim these affected areas.

The Division requires the following items by the dates indicated:

1. No later than December 31, 2014, TSHII must increase the amount of reclamation surety for the Asphalt Ridge 2 mine, M/047/0032, by \$188,000. An additional amount of \$188,000 will be posted by February 28, 2015.
2. TSHII will submit an application to transfer the Uintah County Asphalt Mine, M/047/0022, and post a surety in the amount of \$115,000 for this mine no later than January 12, 2015. It is anticipated that, by this same date, the Division will file a Notice of Agency Action with the Board of Oil, Gas and Mining requesting release of Uintah County's liability for the Uintah County Asphalt Mine.
3. The Division and TSHII will continue to review the reclamation cost estimate for the Uintah County Asphalt Mine, and TSHII will post any required additional surety for that mine by February 28, 2015.

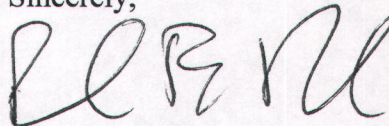




Page 2 of 2  
Brent Andrews  
M/047/0032  
December 15, 2015

Please contact me at 801-538-5261 if you have questions about this directive. Thank you for your cooperation.

Sincerely,

A handwritten signature in black ink, appearing to read 'P. Baker'.

Paul Baker  
Minerals Program Manager

PBB: eb

cc: Jon Stearmer, Uintah County (jonathan@uintahcountyattorney.org)  
Denise Dragoo, Snell and Wilmer  
Steve Alder, Douglas Crapo, and John Robinson

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